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AZ CORP COMMISSION
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BEFORE THE ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL
CHAIRMAN

JIM IRVIN
COMMISSIONER

MARC SPITZER
COMMISSIONER

Arizona Corporation Commission

DOCKETED

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APPLICATION OF ARIZONA UTILITY
SUPPLY AND SERVICES, LLC FOR A
CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE
SEWER SERVICE TO PORTIONS OF
PINAL COUNTY, ARIZONA.

Docket No: SW-04002A-01-0228

IN THE MATTER OF THE APPLICATION
OF JOHNSON UTILITIES, L.L.C. DBA
JOHNSON UTILITIES COMPANY
FOR AN EXTENSION OF ITS
CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE
WASTEWATER SERVICE
TO THE PUBLIC IN THE DESCRIBED
AREA IN PINAL COUNTY, ARIZONA.

Docket No: WS-02987A-01-0295

**JOHNSON UTILITIES
RESPONSE TO REQUEST
FOR EXTENSION OF TIME**

Johnson Utilities, LLC, d/b/a Johnson Utilities Company ("Johnson Utilities") responds to Arizona Utility Supply & Services, LLC ("AZUSS") request for extension as follows.

First, AZUSS refers to a letter from a Mr. Traubert of the Arizona Department of Environmental Quality ("ADEQ") purportedly evidencing that AZUSS has satisfied the

1 requirement to get Section 208 approval.¹ But AZUSS does not explain that its 208
2 amendments were denied by the Central Arizona Association of Governments ("CAAG")
3 Regional Council on January 23, 2002. Attached is a copy of the minutes evidencing that
4 denial. Mr. Traubert apparently is not aware of the effect of that denial.

5 Second, AZUSS claims that it needs an additional 90 days to complete the transfer
6 of the Cambria wastewater treatment system from Woodside Homes because it has "not
7 had sufficient time to complete negotiations." This request is surprising in light of Mr.
8 Lee's testimony that AZUSS had a "handshake deal" to get the Cambria plant as soon as a
9 certificate of convenience and necessity was issued to AZUSS. Transcript at pp. 89-92.
10 There were serious questions about the credibility of Mr. Lee's testimony on this point,
11 particularly since AZUSS representatives had told ADEQ and the ACC staff that AZUSS
12 already owned the Cambria facility. *See* Hearing Exhibit J-2, Tabs B and D. Undoubtedly,
13 this credibility issue resulted in the Arizona Corporation Commission ("Commisison")
14 requiring that the transfer of Cambria to AZUSS be documented within 60 days.²


15 AZUSS' inconsistent, contradictory testimony is relevant to its fitness to be a
16 public service corporation. The circumstances outlined above casts additional doubt on
17 AZUSS' fitness. Johnson Utilities respectfully requests that the Commission abide by its
18 original decision to render the certificate null and void because the Cambria transfer
19 documentation was not provided within 60 days of the effective date of the Decision.
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21
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23

24 ¹ AZUSS did not provide Johnson Utilities with a copy of the compliance filings in this
25 docket referenced by AZUSS in its Request for an Extension.

26 ² It is also surprising that the Links documentation cannot be completed in light of the fact
that Mr. Kohner is a principal of both the homeowners' association and AZUSS.

Respectfully submitted this 1st day of March, 2002.

LEWIS AND ROCA LLP



Thomas H. Campbell
Michael Denby
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Attorneys for Johnson Utilities Company

Original and ten (10) copies of
the foregoing hand-delivered
this 1st day of March, 2002, to:

The Arizona Corporation Commission
Docket Control
1200 W. Washington Street
Phoenix, Arizona 85007

Copy of the foregoing hand-delivered
this 1st day of March, 2002, to:

Marc E. Stern
Administrative Law Judge
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

Janice Alward
Arizona Corporation Commission
Legal Division
1200 W. Washington Street
Phoenix, Arizona 85007

Jim Fisher
Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

Copy of the foregoing mailed
this 1st day of March, 2002, to:

Jeffrey W. Crockett
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Phoenix, Arizona 85004-2202

Betty J. Griffin

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The following is a certified copy of a portion of the draft minutes of Central Arizona Association of Governments' (CAAGs') Regular Meeting of the Regional Council held on Wednesday, January 23, 2002 at 6:30 PM. The meeting was held at the Casa Grande City Hall located in Casa Grande Arizona.

Members Present: Supervisor Joe Sanchez, Mayor Elias Garcia, Council Member Byron Jackson, Vice-Mayor Anita Hinojos, Mayor Douglas Coleman, Mayor Charles Walton, Vice-Mayor Paul Prechel, Vice-Mayor Dick Wolfe, Council Member Bill Heath, Mayor Stanley Gibson, Mayor Patsy Williams, Mayor Debra Sommers, Mr. John Schulz (EDD)

Members Absent: Mayor Jose Aranda, Supervisor Lionel Ruiz, Mayor Bart Goff, Mayor John Mendibles, Ms. Lori Gary (EDD), Ms. Jeri Byrne (EDD)

Management Committee Members Present: Robert Maldonado, Delbert Self, Roy Chavez, Ken Buchanan, John Geib, Gary Eide, Kelly Udall, Curtis Shook

Guests Present: Chris Gillespie, Jan Langer, Ray DalZoft, Dick Schaner, Scott Simonton, Maurice Lee, Jeff Crockett, Wendy Kasserman, Kris Randall, LC Taunt, Edwina Vogan, Michael Denby, Janet Gibson, Ron Smith, Sean Lake

Staff Present: Garye Vasquez, Maxine Leather, Gail Florez, Yvonne Kube, Corina Espinoza, Robin Bennett, Larry Villalobos, Craig Ringer, Brent Billingsely, Joan Cooper-Stevenson, Kim Benner, Mila Besich-Lira

VIII. OLD BUSINESS - Regional Council

A. Amendment to CAAG 208 Water Quality Plan for Arizona Utility Supply Services, LLC Wastewater Treatment Facilities, Pinal County, Arizona - Maxine L. Leather

Chair Sanchez explained to the Region Council that he would like to discuss this agenda item and IX-A together, with separate votes on each item. The Council agreed.

IX. NEW BUSINESS

A. CAAG 208 Water Quality Amendment No. 2 for Arizona Utility Supply and Services, LLC Wastewater Treatment Facilities Cambria/Castlegate - Maxine L. Leather

Chair Sanchez requested that Ms. Leather address these two agenda items. Ms. Leather

GILA-PINAL
COUNTIES



REGION V

GILA COUNTY

GLOBE

HAYDEN

MIAMI

PAVSON

WINKELMAN

PINAL COUNTY

APACHE JUNCTION

CASA GRANDE

COOLIDGE

ELOY

FLORENCE

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MAMMOTH

QUEEN CREEK

SUPERIOR

reviewed the process for both amendments including important dates for each.

Chair Sanchez thanked Ms. Leather and asked Council Members for questions or comments. Being none, the Chair entertained comments from the audience. Those speaking in favor of the two proposed amendments were: Jeff Crockett, Attorney for Snell and Wilmer; Sean Lake, Attorney for Woodside Homes; Jan Langer, Superintendent of JL Combs School District; John Paulson, Providence Homes; and Scott Simonton, Summer Ridge.

Linda Taunt, ADEQ, spoke regarding regulations to clarify information and offered the suggestion that the process go forward with conditions for regionalization.

Stan Griffiths, Pinal County Manager, spoke to the Regional Council and requested that both proposed amendments be denied by Region Council. He spoke on behalf of the Pinal County Board of Supervisors.

Discussion followed with questions to the speakers.

Mayor Walton made a motion to deny Arizona Utilities Supply and Services (AUSS) proposed 208 Plan amendment under agenda item VIII. A. The motion was seconded by Vice-Mayor Prechel. The vote was taken by hand count. The motion passed to deny the amendment with six in favor of the motion and five opposed to the motion.

A second motion was made by Mayor Walton to deny AUSS proposed 208 Plan amendment under agenda item IX.A. Vice-Mayor Prechel seconded the motion. The vote was taken by a hand count. The motion passed to deny the amendment with six in favor of the motion and five opposed.



Maxiine L. Leather
Executive Director